At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, October 8, 2002, the following members were present:

Gary Feland, Chairman Jay Stovall, Vice Chairman Bob Anderson, Commissioner Matt Brainard, Commissioner

Commissioner Rowe was absent but left written votes with the Commission Secretary.

APPEARANCE Steve Vick Utility Division

(407) In the matter of Qwest Communications, Docket No. N2002.9.117; On September 12, 2002, Qwest filed tariff transmittal 02-28. Qwest is requesting a promotion for customers subscribing to Advanced Digital Switched Service (DSS), ISDN Primary Rate Service (PRS), or Uniform Access Solution (UAS) will have a 36 month contract option available with the DSS and UAS options priced at \$855 per month and ISDN PRS at \$995 per month. This promotion is only available where it is technically feasible to provide services and where facilities are available. Contracts must be signed by January 10, 2003, and the customer requested installation date may be no later than March 10, 2003. The promotional period is scheduled to run from October 14, 2002 through January 10, 2003. Commissioner Anderson moved to approve the tariff filing. Commissioner Stovall seconded the motion, which passed with a vote of 4-1. Commissioners Anderson, Feland, Rowe and Stovall voted aye. Commissioner Brainard dissented.

APPEARANCE

Wayne Budt, Administrator Transportation & Centralized Services Division

(408) In the matter of TN2157; Fred M. Zweifel dba Circle Z Enterprises, Virginia City, Montana requests permission to suspend PSC No. 9270 for a six (6) month period, September 21, 2002 to March 21, 2003.

Class B - Passengers within the City of Virginia City and a two mile radius thereof.

Commissioner Brainard moved to suspend the authority. Commissioner Stovall seconded the motion, which passed unanimously.

- (409) In the matter of TN2158; Victor I. Pizzola dba Valley Taxi, Hamilton, Montana requests permission to suspend PSC No. 9207 for a six (6) month period, October 3, 2002 to April 3, 2003, and discussion of other matters as necessary.
- SUB A <u>Class B</u> Passengers within the City of Hamilton, Montana, and a sixty (60) mile radius thereof. Limitations: 1) Transportation is restricted to service in vehicles with seating capacity of eight (8) passengers or less. 2) Transportation must originate or terminate in Ravalli County. 3) In transportation originating or terminating between a forty (40) mile radius and a sixty (60) mile radius of Hamilton transportation by limousine is prohibited and transportation in charter service is prohibited.

Commissioner Brainard moved to suspend the authority. Commissioner Stovall seconded the motion, which passed unanimously.

(410) In the matter of the approval of Commission Minutes; Commissioner Stovall moved to approve the Commission Minutes for the week of September 23, 2002. Commissioner Brainard seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

GARY FELAND, Chairman

JAY STOVALL, Vice Chairman

BOB ANDERSON, Commissioner

MATT BRAINARD, Commissioner

BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, October 8, 2002, the following members were present:

Gary Feland, Chairman Jay Stovall, Vice Chairman Bob Anderson, Commissioner Matt Brainard, Commissioner

Commissioner Rowe was absent but dialed in to some of the work sessions. The vote was left open for him on the other work sessions and he cast his vote with the Commission Secretary.

APPEARANCE Martin Jacobson, Leroy Beeby

(411) In the matter of the Commission's discussion of Granrud Water Company transfer of assets to Stillwater County Water District, Docket No. D2002.10.123; Commissioner Rowe moved to approve the transfer. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Susan Good, Martin Jacobson, Robin McHugh

(412) In the matter of the Commission's discussion of universal system benefits funding; Commissioner Brainard moved to designate staff to research the universal systems funding. Commissioner Anderson seconded the motion, which passed with a vote of 4-0. The vote was left open for Commissioner Rowe, who cast his vote aye, making the vote unanimous.

APPEARANCE Martin Jacobson

(413) In the matter of the Commission's discussion of NorthWestern Energy's 2002 Annual Avoided Cost Compliance Filing, Docket No. D2002.7.80; Commissioner Anderson moved to issue the interim order. Commissioner Feland seconded the motion, which passed with a vote of 4-0. The vote was left open for Commissioner Rowe, who cast his vote aye, making the vote unanimous.

APPEARANCE Martin Jacobson

(414) In the matter of the Commission's discussion of NorthWestern Energy's Application for Green Power Service, Docket No. D2002.7.81; Commissioner Anderson moved to approve the interim order, as edited. Commissioner Stovall seconded the motion, which passed with a vote of 4-0. The vote was left open for Commissioner Rowe, who cast his vote aye, making the vote unanimous.

APPEARANCE Martin Jacobson, Robin McHugh, Will Rosquist

(415) In the matter of the Commission's discussion of Whitehall Wind, LLC's Petition for Qualifying Facility Rate Determination and NorthWestern Energy's QF-1 Tariff, Dockets No. D2002.8.100 and

D2002.6.63, respectively; Commissioner Stovall moved to issue the interim protective order. Commissioner Anderson seconded the motion, which passed with a vote of 4-0. The vote was left open for Commissioner Rowe, who cast his vote aye, making the vote unanimous.

Commissioner Brainard moved to deny NorthWestern Energy's motion to dismiss. Commissioner Anderson seconded the motion, which passed unanimously.

Commissioner Rowe moved to deny preliminarily as NorthWestern Energy appears to be an essential party and therefore has standing. Commissioner Stovall seconded the motion, which passed unanimously.

Commissioner Rowe moved to issue a notice specifying questions and requesting the parties to address issues in testimony and briefs. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Lisa Swanson, Will Rosquist, Robin McHugh

(416) In the matter of the Commission's discussion of NorthWestern Energy's Bypass Service Contracts, Docket No. D2002.7.98; Commissioner Anderson moved to deny the contracts. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson, Dave Burchett

(417) In the matter of the Commission's discussion of Montana-Dakota Utilities' General Gas Rate Case, Coalition Against Unfair Utility Competition's Motion for Reconsideration, Docket No. D2002.5.59; Commissioner Brainard moved to deny the motion to reconsider. Commissioner Anderson seconded the motion, which passed 4-1. Commissioners Anderson, Brainard, Feland and Rowe voted aye. Commissioner Stovall dissented.

APPEARANCE Martin Jacobson, Dave Burchett

(418) In the matter of the Commission's discussion of Energy West Montana's Gas Tracker, Docket No. D2002.6.77; Commissioner Anderson moved to suspend the proceeding indefinitely with a 90-day status report. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson, Dave Burchett

(419) In the matter of the Commission's discussion of NorthWestern Energy's Gas Tracker and Modification of Sale of Gas Assets, Docket No. D2001.12.156 and D2002.1.11; Commissioner Rowe moved to approve the stipulation. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson, Joel Tierney

(420) In the matter of the Commission's discussion of the PSC's pipeline safety rules annual update, Docket No. L-02.10.4-RUL; Commissioner Rowe moved to notice the proposed annual update. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson, Joel Tierney

(421) In the matter of the Commission's discussion of the PSC's Btu monitoring contracts; Commissioner Anderson moved to renew the contracts for one more year. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Kate Whitney

(422) In the matter of the Commission's discussion of Qwest's Application for Approval of Section 271 of the Telecommunications Act of 1996, proposed PO-20 performance measurement, Docket No. D2000.5.70; Commissioner Rowe moved to reject the PO-20 and instruct Qwest to address the issue through a collaborative with stakeholders refiling as part of the 6-month review period. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE

Monica Tranel, Mike Lee, Scott Fabel

(423) In the matter of the Commission's discussion of Qwest's Application for Approval of Section 271 of the Telecommunications Act of 1996, AT&T Motion to Reopen and Supplement the Record, Docket No. D2000.5.70; Commissioner Rowe moved to deny AT&T's motion to reopen the proceeding. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel, Mike Lee, Scott Fabel

(424) In the matter of the Commission's discussion of Qwest's Application for Approval of Section 271 of the Telecommunications Act of 1996, Refiling of the 271 Application with the FCC (WC Docket No. 02-314), Docket No. D2000.5.70; Commissioner Brainard moved to adopt the staff recommendations and prepare comments. Commissioner Stovall seconded the motion, which passed with a vote of 4-1. Commissioners Anderson, Brainard, Feland and Stovall voted aye. Commissioner Rowe dissented.

APPEARANCE Martin Jacobson

(425) In the matter of the Commission's discussion of Qwest's Wholesale Price for Network Elements, Docket No. D2002.7.87; Commissioner Rowe moved to grant the protective order as to specifically identified items. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel, Mike Lee

(426) In the matter of the Commission's discussion of Qwest's Application for Approval of Section 271 of the Telecommunications Act of 1996, Statement of Generally Available Terms, Docket No. D2000.5.70; Commissioner Rowe moved to approve the SGAT modifications effective 10/8/02. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel, Mike Lee

(427) In the matter of the Commission's discussion of draft legislation regarding Qwest's penalty payments; Commissioner Rowe moved to send the draft language to the Budget Office. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel, Kate Whitney

(428) In the matter of the Commission's discussion of the PSC Complaint Against Business Savings Plan, Docket No. D2001.7.101; Commissioner Rowe moved to reject the offer (of \$3,000 in settlement). Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel, Vicki Nelson

(429) In the matter of the Commission's discussion of the PSC Complaint Against Integretel, Docket No. D2002.3.29; Commissioner Rowe moved to grant the motion to dismiss as to Integretel. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE Robin McHugh

(430) In the matter of the Commission's discussion of personnel matters regarding Lisa Swanson; Commissioner Anderson moved to close the meeting (per the employee's request). Commissioner Stovall seconded the motion, which passed with a vote of 4-0. Commissioners Anderson, Brainard, Feland and Stovall voted aye. Commissioner Rowe did not leave a vote.

Commissioner Anderson moved to pay Lisa Swanson through the pay period ending 10/18/02. Commissioner Stovall seconded the motion, which passed unanimously. Commissioner Rowe left a written vote aye (as this was staff's recommendation).

(SEAL)

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